



Committed to the future of rural communities.

United States Department of Agriculture
Rural Development

TO: Participating GRH Lenders

FROM: Iowa's USDA, Rural Development Single Family Guaranteed Rural Housing Program (GRH) – July 2006

**** PLEASE DISTRIBUTE TO ALL WHO UTILIZE THE GRH PROGRAM ****

NEW NEWS

Thank you for helping us to celebrate **HOME OWNERSHIP MONTH** in June.

We had over 20 events statewide!

Watch our website for a recap & pics from all of our events☺



Northwest Federal
Spencer



Farmers Trust & Savings
Spencer



Iowa Bankers Mortgage Corporation
Johnston



Southeast Iowa Regional Planning Commission
Self Help Housing



Tama County



United Bank of Iowa, Denison



Liberty Bank, West Des Moines



Heartland Mortgage, Clive



Boone Bank & Trust



State Bank of Bussey



Residential Mortgage Network
Cedar Rapids



State Bank & Trust Company
Nevada



Horizon Federal Savings
Oskaloosa



[Form 1980-21, Request for Single Family Housing Loan Guarantee \(6/06\)](#) has been **revised** to reference the applicant(s) acknowledgments and certification to do business with the U.S. Government and to **eliminate** the use of Form AD 1048 for participation.

Iowa GRH Handbook Updates due to the above revision:

- ☒ Page II, removing AD 1048 from the list
- ☒ Page 7, removing reference to the AD 1048
- ☒ Exhibits H & H-1, removing reference to the AD 1048



Home Energy Advantage Pilot Program effective immediately, allows for special eligibility considerations for low- and moderate-income home loan applicants who are purchasing newer, energy-efficient homes. This encourages efforts to expand access to new, affordable housing opportunities in rural America, while at the same time emphasizing energy conservation.

Under the special program called Home Energy Advantage, the qualifying ratios used to determine an applicant's ability to repay a home loan may be exceeded by up to 2 percentage points if an energy-efficient home loan is purchased. Eligible applicants will receive this increased flexibility if they are purchasing a newer home that is energy efficient. In some cases, applicants may be able to afford a larger loan amount due to the qualifying flexibility because lower utility costs associated with newer homes equate to more income that can be applied to mortgage and other debt payment in a given month.

Effective immediately, all homes that are built to meet the 2000 International Energy Conservation Code (IECC) or 2003 Model Energy Code are considered energy efficient, and borrowers purchasing them are eligible for the 2 percentage point increase in the qualifying ratios. Existing homes that meet the same standard, or are being retrofitted to meet it, are also eligible. The program is a nationwide pilot, and will operate for the next 18 months.



PROCESSING

We have PLENTY of GRH MONEY AVAILABLE!

Imaged signatures are now acceptable on form 1980-21, Request for Guarantee!

Form AD 1048 is no longer needed as long as the latest revision of the [1980-21](#) is utilized (6/06).

Manufactured Housing & the GRH program – **NEW** UNITS ONLY – on a permanent foundation. Permanent foundations include perimeter or piers & tie downs.

NEW ADMINISTRATIVE NOTICES (ANs)

ANs for the last 12 months may be found at http://www.rurdev.usda.gov/regs/an_list.html.
None since the June 2006 newsletter.

USEFUL INFO

Iowa GRH Handbook & Newsletters <http://www.rurdev.usda.gov/ia/rhsg.html>
Property & Income Eligibility <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>
RD Properties for Sale <http://www.resales.usda.gov/>
USDA, Rural Development <http://www.rurdev.usda.gov/>
Iowa USDA, Rural Development <http://www.rurdev.usda.gov/ia/>



USDA, Rural Development offices will be **closed** on the following days:
Tuesday, July 4, 2006 – Independence Day
Monday, September 4, 2006 – Labor Day

Iowa State Office Single Family Housing Staff

Bruce McGuire, Program Director - bruce.mcguire@ia.usda.gov

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Lender Assignments to **RD offices** are based upon the location of the customer's main office. Iowa RD offices may be found at http://www.rurdev.usda.gov/ia/la_locations.html (click on the address or type it into your browser)

To **request changes to our email list** such as removals or additions, please e-mail heather.honkomp@ia.usda.gov with your request. Be sure to include contact name, business name, location, phone number, and email address. We appreciate your assistance with the maintenance of our email list.

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Complaints of discrimination should be sent to: USDA, Director, OCR, Washington, D.C. 20250-9410